

LAND BOARD AGENDA ITEM
September 18, 2006
PRELIMINARY APPROVAL FOR LAND BANKING ACQUISITION
Whitman Coulee Ranch (Bighorn County) and
Romine Cattle Co. (Treasure County)

The Department is proceeding through the due diligence requirements for the acquisition properties. Tours of the properties have been scheduled. These tours were advertised through a press release and are also posted on our web site. We anticipate seeking final Land Board approval for some of acquisition properties as soon as the October Board meeting.

Selection Considerations

The Department has conducted a review of these two tracts nominated for acquisition per Administrative Rule 36.25.813 (3). Acquisition selection forms were also completed for the recommended property.

Access: The ranches are publicly accessible via public highway, county road, and private easements. If the tracts are purchased, publicly accessible state land in Treasure County will increase by 7,226 acres. Publicly accessible state land in Bighorn County will increase by 8,034 acres.

Revenue: The overall annual rate of return from the tracts sold is .08%. The predicted annual rate of return, over a 20 year period, from proposed acquisitions yields a rate of return of 2.29%.

Multiple Use: The tracts have historically been used for ranching, and have the potential for big game and upland game bird hunting.

Location: The Whitman Coulee Ranch is located 35 miles southeast of Billings and 5 miles west of Hardin. The Romine Cattle Co. is approximately 19 miles southeast of Hysham and is approximately 10 miles south of the Sarpy Creek Interchange on Hwy 315.

Cooperation: DNRC has worked cooperatively with interest groups, area landowners and counties to identify tracts for possible acquisition.

Public Involvement:

In April, 2006, DNRC solicited nominations from a variety of cooperators, landowners, and local/ regional real estate agents encouraging interested parties to nominate parcels for acquisition via the Land Banking program between April and June, 2006. The Department received 15 nominations for purchase.

Upon preliminary approval, DNRC will secure a purchase agreement contingent upon findings of the due diligence as per Land Banking rule ARM 36.25.813 through 815. Due diligence includes a detailed inventory report of the property, appraisal, Phase 1 hazardous materials study, an in-depth financial analysis, and a survey, if needed, followed by final Land Board approval. DNRC will also initiate field trips for interested parties (the Board/staffers, Negotiated Rulemaking Committee members, other agencies, county commissioners, beneficiaries, other individuals) to view and comment on the recommended properties.

Agency Recommendation:

The Department recommends preliminary approval of the Whitman Coulee Ranch and Romine Cattle Co. tract for further consideration for acquisition.

